



BellSouth Telecommunications, Inc.
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REC'D TO
REGULATORY AUTH.

1999 SEP 9 PM 4 03

Charles L. Howorth, Jr.
Regulatory Vice President

September 9, 1999

EXECUTIVE SECRETARY

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

Re: Tariff for Contract Service Arrangement TN98-6846-00
Docket 99-00510

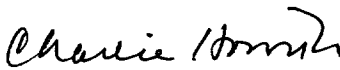
Dear Mr. Waddell:

This Letter of Agreement confirms that the customer's agreement to pay the difference between the actual billed revenue for its V&T Eligible Services and its Annual Revenue Commitment as set forth in Section VI of the CSA, does not apply upon the customer's early termination of the CSA. As BellSouth acknowledged during the Director's September 2, 1999 Special Conference, the customer must pay only the amount calculated in accordance with Section X (as amended) upon early termination of the CSA.

Thus, if amended Section X requires a payment of \$70,000 upon early termination of the CSA, the customer will pay only \$70,000 upon early termination of the CSA. This is true even if at the time of the early termination, the customer's actual billed revenue for its V&T Eligible Services is \$800,000 below its annual commitment level.

BellSouth has provided a copy of this letter to the customer to confirm the manner in which termination liability charges are calculated under this CSA.

Very truly yours,


Charles L. Howorth, Jr.

CLH/jem

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